

CORRECTED FISCAL NOTE

HB 3698 - SB 3819

April 21, 2006

SUMMARY OF BILL: Authorizes the usage or diversion of state highway funds for non-transportation purposes if approved by a two-thirds vote of each house of the General Assembly.

ESTIMATED FISCAL IMPACT:

On March 10, 2006, we issued a fiscal note indicating a significant, but undeterminable impact upon state and local governments. Based on new information received from the Department of Finance and Administration, the fiscal impact of this bill is:

(Corrected)

Other Fiscal Impact – Redirects recurring funds in the amount of \$65,800,000, and non-recurring funds in the amount of \$10,000,000, from the general fund to the highway fund in FY05-06, unless each house of the General Assembly votes by a two-thirds majority not to redirect the funds. Redirects recurring funds in the amount of \$54,800,000, and non-recurring funds of \$11,000,000, from the general fund to the highway fund in FY06-07 under the same conditions.

Assumptions:

- Pursuant to Tenn. Code Ann. Section 4-3-1016, the Commissioner of Finance and Administration is authorized to transfer funds from the highway fund to the general fund. This authority has been exercised in FY05-06 in the amount of \$65,800,000 recurring and \$10,000,000 non-recurring. These funds would revert to the highway fund in the absence of a two-thirds vote to the contrary.

- The Governor's Recommended Budget for FY06-07 provides for transfer of \$54,800,000 recurring and \$11,000,000 non-recurring from the highway fund to the general fund. These funds would revert to the highway fund in the absence of a two-thirds vote to the contrary.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director